



Episode 912, Story 3 – Harlem Heirs

Gwen: This case takes a close look at a stock certificate, a multi-million dollar land claim, and the earliest European settlers on the island of Manhattan. By the end of the 19th century New York City was a vibrant and exploding metropolis teeming with people of every background and buzzing with energy. Gilded age millionaires wheeled and dealt on the stock market, while north of their Wall Street world, a real estate boom in the former farming properties of Harlem pushed property values toward unprecedented heights. But exactly who owned this land?

Now, Bob Kluge from Roselle Park, New Jersey has a stock certificate he thinks might be a part of the grand successes and scams of the gilded age.

Bob Kluge: I've often wondered whether this stock was a swindle or worth millions in its day. Quite a range of things in here.

Gwen: So show me this stock certificate you wrote about.

Bob is an avid stock certificate collector. Now mostly outdated by electronic recordkeeping, stock certificates were once as valuable as money; the proof you owned shares in a company.

Bob: Here it is.

Gwen: The Harlem Associated Heirs Title Company.



Bob: This one I found rather intriguing. It says it's the official line between New York and Harlem. And notice where it goes across here, it drops down to around 59th Street.

Gwen: Today, Harlem starts much further north at 110th street.

Bob: So it's a different view of Harlem than we have today. It's also quite an elaborate certificate; they went to some expense to produce this.

Gwen: Did you do any research about this company?

Bob: I could find nothing really on the Harlem Associated Heirs Title Company.

Gwen: And that made Bob suspicious.

Bob: I did find an article or two of about the same time from 1892 that mention the land title disputes in Harlem.

Gwen: He recalls that at least one of the articles mentioned investors had been swindled in some sort of fraudulent deal or scam.

So Bob tell me exactly what you'd like me to find out about this certificate.

Bob: I'd like to know more about this Harlem Associated Heirs Title Company and I'd like to know whether this was part of any scam.

Gwen: I'll see what I come back with.



Bob: Lots of luck.

Gwen: The Harlem Associated Heirs Title Company. A title company determines the validity of property ownership. "Lands owned by the Harlem Heirs." It's not clear from the map how much land is being claimed, but a border line here seems to indicate Harlem takes up almost half of Manhattan. It's quite a sizeable piece of property. And these shares are owned by Orlando K. Waldron. So this is a certificate for 68 shares but 68 of two million shares, which are valued at \$100 each. A date that's written in and then part of the stamp is that it's 1892.

If this company really is claiming a significant chunk of Harlem real estate, there ought to be some sort of record. But exactly who are these so-called Harlem heirs? Here we go, "Harlem Lands" from 1893. "Movement to establish the claims of heirs of the original patentees to Harlem properties."

The corporation is known as the Harlem Associated Heirs Title Company. So the company existed although I don't know for how long or if there was any controversy about it. Now here is some background on the so-called heirs. In 1666, the English governor Richard Nichols had issued a land grant – or patent – to five families – ceding them ownership and title to land in Harlem. Harlem was then a remote farming village, miles from the bustling port city of New York. More than 200 years later, at the end of the 19th century Harlem was no longer remote, nor a village. There's a lot of land speculation up in Harlem at the end of the 19th century. It appears the heirs are claiming ownership of a large amount of property stretching from today's 72nd street all the way to 130th street. It was a volatile period of time. There had been a massive wave of immigration largely from Eastern Europe and Italy beginning in the late 1880s and a lot of tension



between these new immigrants and families who had been there for several generations.

Now this is interesting. Our certificate was owned by Orlando Waldron. One of the original families from 1666 had been headed by a man named Resolved Waldron. He was Harlem's town constable in 1666 and one of its richest citizens.

I don't know if that's the same Waldron. There could be many decedents of this original title. Here's one mention of Orlando K. Waldron in a book called Progressive Men of Pennsylvania. And it also mentions that the Waldron family had owned a large piece of land in Harlem centuries ago. Well here is an article from 1886, New York Times about an organization called the Harlem Commons Heirs who were being accused of fraud.

Could bob's certificate been part of a gigantic swindle?

Richard Sylla is professor of financial institutions and markets at New York University. I'd previously emailed him a copy of the certificate.

We meet around the corner from Wall Street, at the museum of American finance.

I want to show you my title company stock certificate. Have you ever heard of the Harlem Associated Heirs Title Company?

Richard Sylla: I had never heard of this company before you showed me this certificate



Gwen: I explain our contributor suspects the document could be part of a scam.

Richard: There's been stock fraud as long as there have been stocks. And in the 1890s, given the lack of regulations, probably quite a bit. This was the era of the Robber Barons. People like Jay Gould and Commodore Vanderbilt and J.P. Morgan.

Gwen: The financial culture was swashbuckling and stock certificates were sometimes not what they seemed to be. Classic example was Mr. Jay Gould, called the Mephistopheles of Wall Street. He was actually involved in a number of shady deals.

Richard explains how Gould was an owner of the Erie Railroad.

Richard: Commodore Vanderbilt at the New York Central wanted to buy the Erie Railroad. So he went into the market on Wall Street and began to buy up shares. You know, once you get 50.1% of the shares, you control the company. But Jay Gould found a way of printing up more and more shares I mean, they were basically counterfeiting shares. And this should have been illegal, but they used some of their money to bribe judges, who ruled in their favor.

Gwen: Lack of effective regulation encouraged speculation, drove up stock valuations, and tempted some to perpetrate frauds.

Richard: A lot of people said, 'Well, I don't know what this is worth, but I think I can buy it at \$100, let's say, and maybe sell it to someone else at \$120 or \$150, and I'll make a profit.'



Gwen: Now, does that raise a question for you about there being two million shares for a fairly small company?

Richard: That's a lot of shares. Especially when the par value is estimated at \$100 each because then they are claiming that this company is worth, you know, \$200 million.

Gwen: While that sounds suspicious, Richard points out our certificate is for a title company claiming New York property.

Richard: Great fortunes were built by owning Manhattan real estate.

Gwen: What would this mean for Orlando Waldron? Richard thinks the stock could have been issued legitimately to raise money to fight for the land.

Richard: You have to hire lawyers, and you have to go to court and things like that.

Gwen: But, even if the claim foundered, Waldron might still have profited.

Richard: He could have made some money by selling his shares. It was one way of sort of, you know, hedging their bets. Maybe our claim won't be upheld, but we can still get some money out of it if we create this company and sell shares to others. The shares are liquid. The land is very liquid.

Gwen: Did Waldron and the other heirs cash in more than two hundred years after their ancestors had received the land from the English government?



I'm meeting Harlem historian and author Jonathan Gill at the Harlem Meer in central park.

I'm eager to show you the stock certificate. Jonathan says the land we're standing on is part of what they may have been fighting for.

Jonathan Gill: We're actually underwater on this map, you can see that this entire area, if it wasn't submerged, it would have been very swampy land. Which would have been of questionable value. So, this was a very undeveloped piece of Manhattan, and many people thought it was undevelopable.

Gwen: The original families farmed the meadows and marshes; most of them abandoned Harlem during the revolution.

Jonathan: Harlem itself empties out totally during the Revolutionary War. Harlem goes through all these ups and downs.

Gwen: In the nineteenth century, wealthy New Yorkers repopulated Harlem to build "country houses." Both Alexander Hamilton and Aaron Burr had uptown estates, as did naturalist John James Audubon.

Well, what's the shift? Something must be happening in the late 1880s to '90s to have these claims be made at that time. What is happening in this area?

Jonathan: What's happening is that this land has suddenly become very, very valuable.



Gwen: Jonathan explains the population of Manhattan had reached over one million by 1880.

Jonathan: Most of Manhattan is now becoming filled in, and there are no places to grow.

Gwen: In 1873, New York City officially annexed Harlem. As New York moved uptown, real estate speculators saw dollar signs in this bucolic landscape.

Jonathan: This is when these streets were laid out sidewalks were put in, gas-lines, sewer lines, and electricity, eventually. You can see that the places that would be swampy here, they were being drained and auctioned off.

Gwen: Collectively, Harlem plots were now worth millions. Row after row of new houses established the look of the Harlem that is still recognizable today.

And who was living around here?

Jonathan: Depends on when you're talking about. In the 1840s, '50s, and '60s, that would have been Irish. Later on, it would have been Jewish. You don't really have an identification of Harlem with, African Americans really until after the turn of the century. So, this was 1890s, you're really on the cusp of a much larger change.

Gwen: Jonathan never heard of any of the Harlem heirs getting their land back, or being compensated. So what happened to the claims of the heirs of those original Harlem settlers?



Real estate law scholar Jesse Keenan meets me at Columbia University.

Jesse Keenan: Wow, this is great to see.

Gwen: So, what's your overall impression of what we can learn from this document?

Jesse: Well I, initially looking into this, came at it with, 'Well, this seems a somewhat frivolous, or perhaps fraudulent', as was very common during that time. But the more I got into it; there was a couple of things that I found that might surprise you.

Gwen: Jesse discovered that according to the law of the time, the Harlem heirs may have had a case.

Jesse: After the Revolution, the courts didn't start from scratch. The jurisdiction and the sovereignty might have subsequently changed, but the law itself, under English common law, stayed the same.

Gwen: So, the judges in 1893 would be trying to interpret this case the way a judge in 1666 would have done, as to the best of their ability.

Jesse: Correct. Correct. They would not have been, obviously, bound by it, but it would have been something they would have considered in their interpretation of the case.

Gwen: Jesse was able to determine that the company did bring their case to court,



Jesse: The case actually made it as far, procedurally, as a trial, which led me to believe there was validity of the underlying cause of action.

Gwen: Jesse was unable to find a verdict in our court case, but he *did* find opinions about other similar Harlem land claims from the era.

Jesse: I found a number of cases who had actually won and been successful in their litigation.

Gwen: So had these ancestors struck it rich with valuable Harlem real estate?

Jesse: I found some things that you might find very interesting.

Gwen: I know Bob will be surprised to hear this.

Well Bob, I'll start off with telling you that both this company and the stock certificate were aboveboard.

Bob: I guess initially thinking that this was going to turn out the other way that this company was out to be scam, I'm quite taken back.

Gwen: I tell Bob we were unable to find the verdict from our court case, but Jesse had discovered the outcome for other Harlem heirs seeking a big pay day.

Unfortunately, the judges decided say basically, 'Yes, you won. But no, we're not going to do anything about it.' When was that and why do you think they did that?

Jesse: Well, in the 1890's there was a significant market crash.



Gwen: The country had been plunged into serious recession and Jesse believes that economic uncertainty probably had a negative outcome for the Harlem heirs.

Jesse: Had the judge ruled in favor of them, it would have opened up a Pandora's Box, which would have brought in thousands of claimants, potentially, for a variety of different property interests, going back over hundreds of years. This would have further destabilized the markets.

Bob: It's a very complex story and, again, with many layers of history.

Gwen: I tell Bob his document reveals a moment of national financial turbulence. It also sheds light on the explosive growth of Harlem, a neighborhood that would become known as the black capital of America, exporting its cultural riches around the world.

How do you feel about this certificate now that you know this story?

Bob: It was a keeper and it will remain as such. Don't know any other story like this. It's quite astounding.